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## Jamba, Inc. Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from Jeff Farmer – Jefferies & Company.

#### Jeff Farmer – Jefferies & Company

I wanted to touch first on the refranchising, what cash flow multiple did you receive on the sale of the Arizona units? And, what do you expect to see on future sales?

#### James D. White

That's information we wouldn't disclose publically for strategic reasons.

#### Jeff Farmer – Jefferies & Company

Than as it relates to today's refranchising announcement, do you expect to see more of these five and 10 unit deals or is there an expectation that a larger area developer could step up and maybe take out a much bigger chunk of the 150 units you're planning to refranchise?

#### James D. White

Jeff I'd make a couple of points, in terms of today's announcement we look at that as a clear opportunity to accelerate the repositioning of our business in total so that will be the first point that I would make. It allows us to resize the core set of company stores to right at about 300 and as we announced today, we will refranchise up to about 150 units and really those commitments will consist of really two critical components, multiunit packages so in the five to 10 range is our focus. We're open to larger deals if we've got the right kind of partners out there.

Then, the final point I'd make, all of these agreements will have additional development opportunities connected to them. So, we're excited about today's announcement. It really positions this company to grow moving forward. The other really side benefits of this announcement is it will allow us to pay down debt and actually more efficiently allocate company resources both financial and operational.

#### Jeff Farmer – Jefferies & Company

Then shifting gears on you to the new food news, what's your food attachment rate right now and has it changed since you introduced oatmeal earlier this year?

#### James D. White

So we'd make a couple of points, we've been incredibly excited with the launch of oatmeal and it had really a couple of different aspects one, was the overall improvement in our breakfast day part was significant and I think for most of us at the company we were impressed with the results to date with oatmeal. It actually beat any of our internal projections and gave us great confidence to move forward on the current plan. That would be the first point that I'd make. As we've run a series of several other tests, we've seen our attachment rate picking up pretty steadily. Especially the grab and go that we tested here in the Bay Area.

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